

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY (USEPA)



THE SALTON SEA

PURPOSE
BECC
NADB
USDA
USEPA
CAL/BECC
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CALIFORNIA
BAJA CA
GRANTS
APPENDIX



U.S. ENVIRONMENTAL PROTECTION AGENCY

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The U.S. Environmental Protection Agency (EPA) actively promotes the sustainable development of border infrastructure in California-Baja California. Specifically EPA supports *water and wastewater projects* through BECC's *Project Development Assistance Program* (PDAP) and NADBank's *Border Environment Infrastructure Fund* (BEIF).

In FY 96 and FY 97, The U.S. Congress appropriated to EPA \$200 million for border water and wastewater infrastructure. EPA distributed these funds in the following manner:

\$ 170 million	NADBank's BEIF
\$ 10 million	BECC's PDAP
\$ 17 million	EPA's Border Tribal Program
\$ 3 million	Contingencies and Miscellaneous

EPA utilizes BECC and NADBank for disbursement of border infrastructure grants because the two organizations provide a forum for developing environmentally-sensitive, financially feasible infrastructure projects. A shared long-term objective of EPA, NADBank, and BECC is the development of self-sustaining water and wastewater systems.

PROJECT DEVELOPMENT ASSISTANCE PROGRAM (PDAP)

EPA is working aggressively with BECC to establish the PDAP program. EPA has awarded BECC \$10 million in grants to encourage the sound development of water and wastewater projects on both sides of the border through PDAP. To access PDAP grants, the project sponsor must demonstrate a need for technical assistance and be a likely candidate for BECC certification. EPA is involved in the disbursement of these grants only when the contract amount exceeds \$500,000. BECC will submit quarterly and annual financial reports for EPA's review.

BORDER ENVIRONMENT INFRASTRUCTURE PROGRAM (BEIF)

Under a cooperative agreement with NADBank, EPA will make \$170 million in grants available to the BEIF and will allow NADBank to administer these funds to support EPA-approved water and wastewater projects. These grants are intended to supplement funding from other sources in order to complete a project's financial package. BEIF funds are available only after all other financing options have been expended. EPA has developed the following project selection criteria for BEIF funds:

- (1) A project must address a priority human health or ecological issue. Projects with the most impact will receive priority.
- (2) A project must have U.S.-side benefits. Projects with benefits on both sides will receive priority.
- (3) A project must be BECC-certified.
- (4) Projects that have maximum funding from other sources and that need BEIF funds only to complete their financing will receive priority.
- (5) Adequate planning and operation and maintenance provisions are prerequisites.
- (6) Only community/municipal infrastructure is eligible.
- (7) For drinking water, only drinking water quality projects are eligible (i.e. treatment plants and distribution systems). Raw water supply projects are excluded.
- (8) If there is a direct or indirect discharge to U.S. waters, a project must target U.S. water quality norms. Projects can be phased to achieve these targets. Flow reductions must not threaten U.S. or shared ecosystems.

NADBank has developed an affordability protocol based on EPA's affordability guidelines for BEIF assistance. This protocol identifies eligibility criteria for transition and construction assistance. BEIF assistance is possible only if a project's financial burden exceeds the users' ability to pay.

Using the project selection criteria and affordability guidelines, NADBank will formulate a proposal with the appropriate mix of assistance. NADBank will submit the proposal with an affordability analysis and a sensitivity analysis to EPA. EPA retains final approval as to which projects will be funded. EPA will provide NADBank with a written response for each proposal. Upon receipt of EPA's final decision, the Bank will provide written notice of such decision to the project sponsor and copies to EPA, the state, and the community.

Because the disbursement of EPA funding is considered a federal activity, NEPA must be completed prior to the disbursement of BEIF funds. EPA has been involved in the development of NEPA documents which disclose impacts in the U.S. from Mexican projects. In the future, environmental assessments developed for BECC-certification will include transboundary impacts. EPA will be responsible for ensuring the analyses of these impacts comply with its NEPA requirements.

NADBank is responsible for the oversight of construction and operation of the water and wastewater facilities funded with BEIF funds. EPA will review reports on this oversight.

BORDER TRIBAL PROGRAM

EPA has reserved \$17 million to build drinking water and wastewater treatment infrastructure on Indian reservations and other tribal lands in the U.S. This program provides direct grants to the Indian Health Service or appropriate tribal organization. EPA Region IX manages this program. All of the tribal money has been allocated to specific projects.

OTHER EPA BORDER ACTIVITIES

Because of its position on the BECC Board of Directors, EPA votes on the certification of a project. EPA is the only U.S. or Mexican agency on the Board of both BECC and NADBank. EPA, therefore, helps to integrate the environmental concerns of BECC and the financial concerns of NADBank into a consistent border development strategy. A consistent border strategy is also at the heart of EPA's involvement in Border XXI which is a binational effort to coordinate the U.S. and Mexican federal entities responsible for the border environment.

EPA is the U.S. co-chair of the Border XXI Water Workgroup. This workgroup coordinates binational water quality activities in the border area including training and infrastructure projects. The group has focused on activities such as the monitoring of the Lower Colorado River and the New River. Public involvement and outreach for Border XXI is managed primarily through EPA's San Diego Border Liaison Office. This office organizes cooperative environmental, health, and natural resource efforts and provides information to the border population on EPA programs and initiatives.

EPA received specific appropriations from the U.S. Congress for the International Wastewater Treatment Plant for Tijuana's wastewater and for facility planning in Mexicali and Nogales. IBWC is managing these projects with EPA oversight.

